GOVERNMENT OF INDIA
URBAN DEVELOPMENT
LOK SABHA

UNSTARRED QUESTION NO:487
ANSWERED ON:27.04.2016
Self Sufficient ULBs
Singh Shri Abhishek

Will the Minister of URBAN DEVELOPMENT be pleased to state:

Will the Minister OF URBAN DEVELOPMENT be pleased to state:-

(a) the steps taken by the Government for institutional reforms to increase the revenue of various municipalities in the country to make them financially self-sufficient;

(b) whether the Government proposes to provide more tax exemptions to encourage more investment in municipal bonds;

(c) if so, the details thereof; and

(d) the other measures taken or proposed to be taken to make Urban Local Bodies (ULBs), financially self-sufficient?

Answer

THE MINISTER OF URBAN DEVELOPMENT
[SHRI M. VENKAIAH NAIDU]

(a): Urban Development is a State subject and Government of India only facilitates the State Governments and municipalities through various programmes, schemes and guidelines. Accordingly, the Government of India has been taking measures to help municipalities improve their financial condition by encouraging them to undertake reforms in the areas of property tax, levy of user charges, innovative finance mechanisms, strengthening State Finance Commissions, accounting & audit, service delivery, e-governance, administration, etc.

(b): No, Madam. At present there is no such proposal.

(c): Does not arise.

(d): The Government of India is providing financial assistance under its reformed oriented programmes of Smart Cities Mission and the Atal Mission for Rejuvenation and Urban Transformation of 500 cities (AMRUT) with outlays of Rs.48,000 crore and Rs.50,000 crores respectively during 2015-2020. Further, the Government has also accepted the 14th Finance Commission's recommendations for providing Rs. 87,143.8 crores to ULBs for the period 2015-2020.

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